



SACHI A. HAMAI
Interim Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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May 6, 2015

To: Audit Committee .

From: Sachi A. Hamai
Interim Chief Executive Officer

REVIEW OF BOARD POLICY 8.030: LIABILITY COST ALLOCATION POLICY

In response to the request of the Acting Executive Officer of the Board of Supervisors, this office has conducted a sunset review of Board Policy 8.030: Liability Cost Allocation Policy. Based on this review, we recommend extending the sunset review date by five years without any substantive revisions. This Policy helps protect the safety and well-being of the County of Los Angeles.

If you have any questions, please contact Reginald Crowell at (213) 351-5363 or rcrowell@ceo.lacounty.gov.

SAH:JJ
STR:RC:KG:yy

Attachment

c: Acting Executive Officer, Board of Supervisors
County Counsel
Director of Personnel



Los Angeles County BOARD OF SUPERVISORS POLICY MANUAL

Policy #:	Title:	Effective Date:
8.030	Liability Cost Allocation Policy	03/07/96

PURPOSE

Establishes a Countywide policy regarding the allocation of departmental liability/workers' compensation costs.

REFERENCE

March 7, 1996 Board Order, [Synopsis 52](#)

April 15, 1996 Chief Administrative Office memo, "[Liability Cost Allocation Policy](#)"

POLICY

The review process established to evaluate claims and lawsuits involving multiple departments is as follows:

The Liability/Workers' Compensation Cost Allocation Policy provides:

1. County departments will receive notice of multiple department cases from County Counsel or Third Party Administrators (TPA). Departments will be notified as soon as their potential involvement is known (in some cases, department involvement may not initially be apparent but is later revealed by County Counsel or TPA investigation). Information concerning these cases will also appear in department Liability/Workers' Compensation Claims Information reports or other reports provided by the Chief Executive Office (CEO).
2. Upon notification of their involvement, departments should initiate their own review and provide relevant information and justification supporting their position regarding their share of responsibility.
3. In the initial stages of the claims handling and/or legal defense process, County Counsel, defense counsel, TPA and/or other involved parties will, also, evaluate the case and provide their opinions and recommendations of each department's financial liability.
4. If necessary, the CEO County Risk Manager will convene a joint meeting with the involved departments and other involved parties, as needed, to review the facts and circumstances of the incident, and to evaluate if apportionment of responsibility should be revised based on department input.

5. In the event departments continue to disagree, the Chief Executive Officer or designee will make a final determination as to the settlement and cost apportionment so that funding responsibility will not delay processing of an otherwise appropriate settlement.
6. The Chief Executive Officer will meet, if requested, with the respective Department Heads to discuss the matter.
7. The Auditor-Controller shall make payment for settlements and judgments determined by the proposed dispute resolution process and charge costs back to department as appropriate.

RESPONSIBLE DEPARTMENT

Chief Executive Office

DATE ISSUED/SUNSET DATE

Issue Date: April 15, 1993
Review Date: August 21, 2003
Review Date: September 20, 2007
Review Date: July 21, 2011
Review Date: June 18, 2015

Sunset Date: April 15, 2003
Sunset Date: August 21, 2007
Sunset Date: August 21, 2011
Sunset Date: August 21, 2015
Sunset Date: August 21, 2020